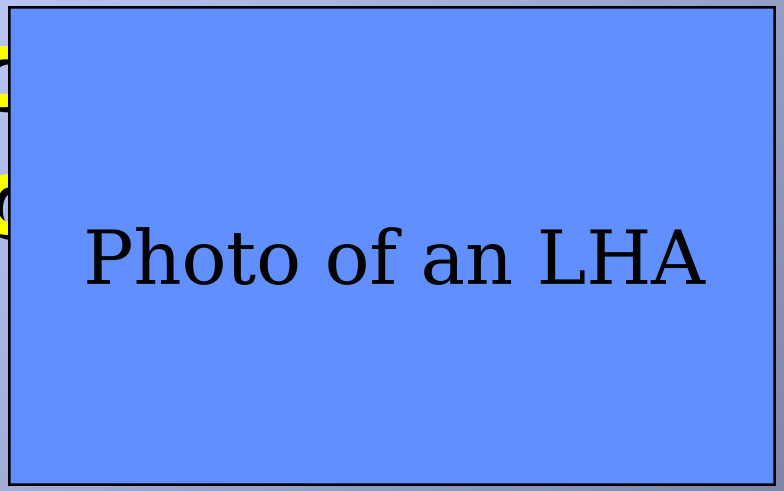
# OPERATIONAL RISK MANAGEMENT

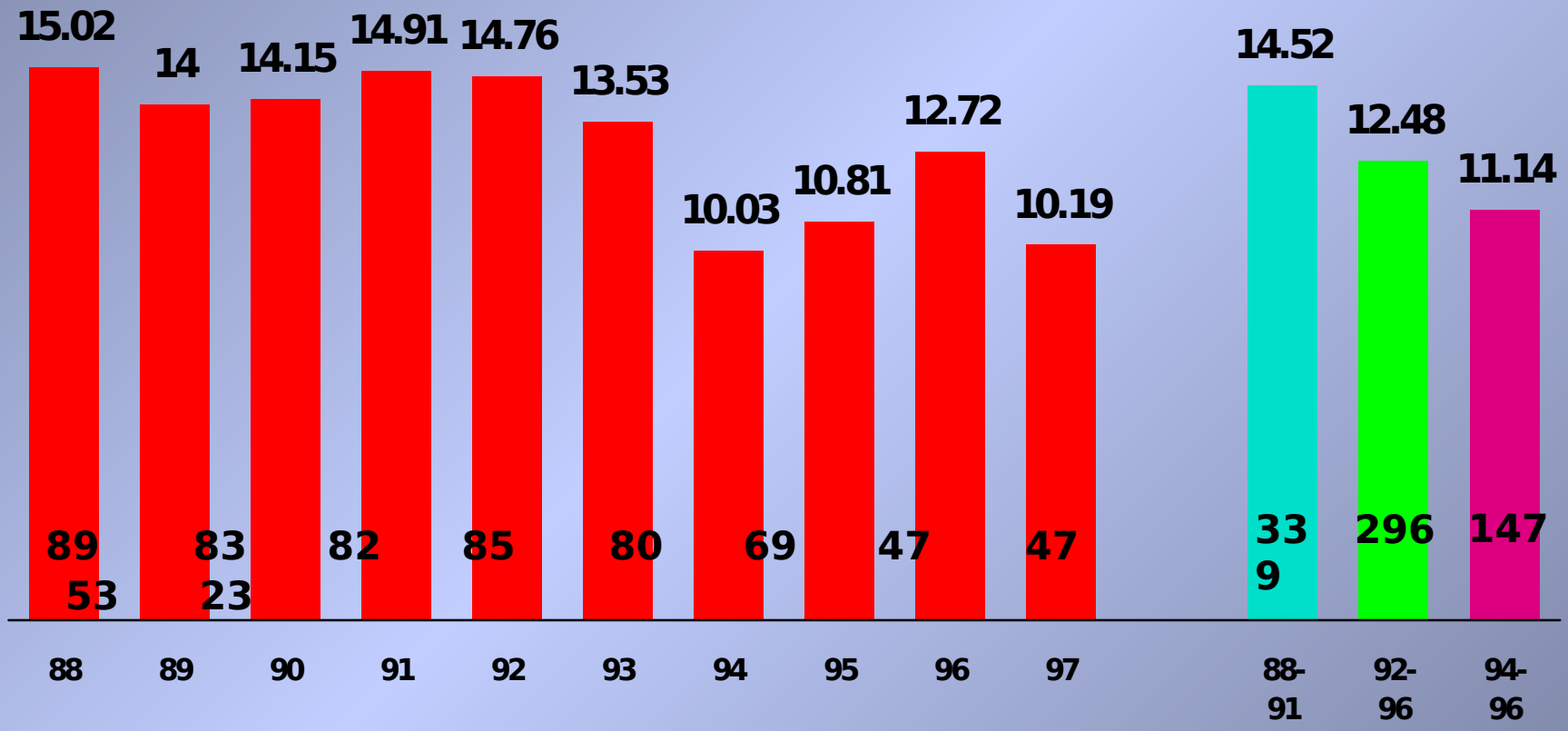
**“ Commanders have a fundamental responsibility to safeguard highly valued personnel and material resources, and to accept only the minimal level of risk necessary to ac assigned missio**

**From OPNAVINST 3500.39 (Operational Risk Management) signed on 3 April 1997.**



# Operational Mishap Rates

## Navy Class A's, FY88-4/15/97




**Rate per 100,000 people per year**
**Number in bar = number of mishaps**

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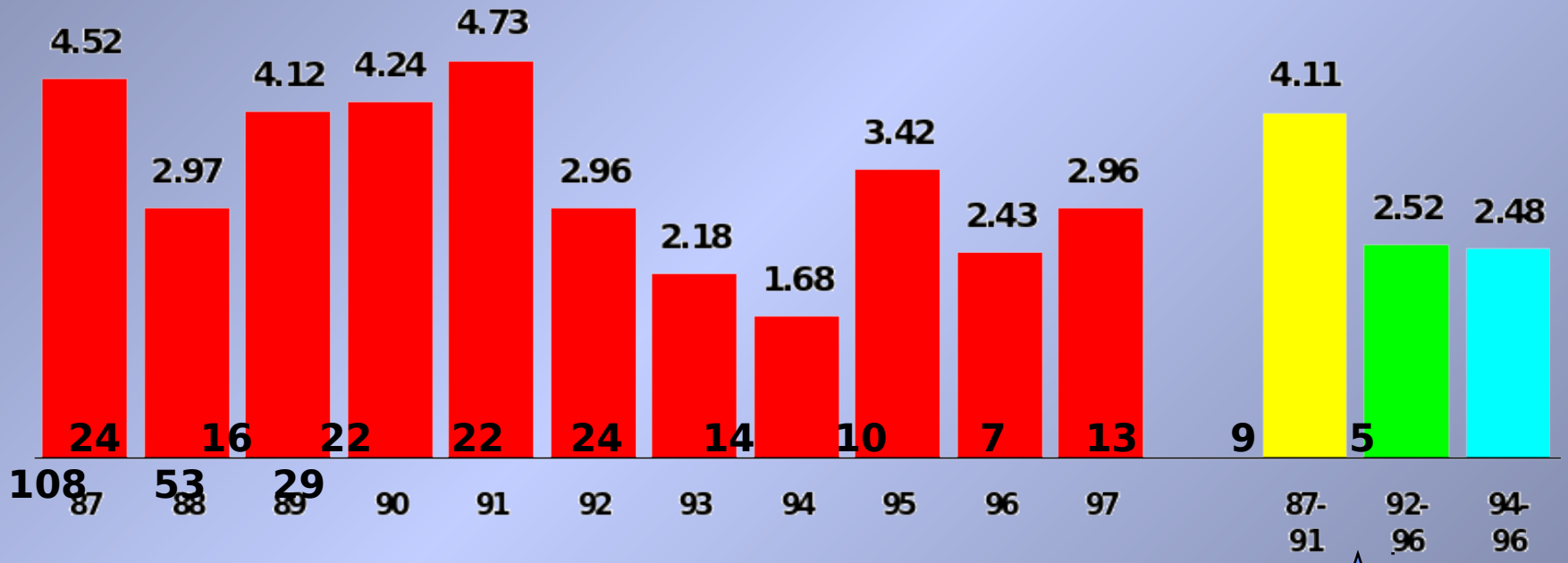
# Afloat Class A Mishap Rates

## FY87-4/15/97

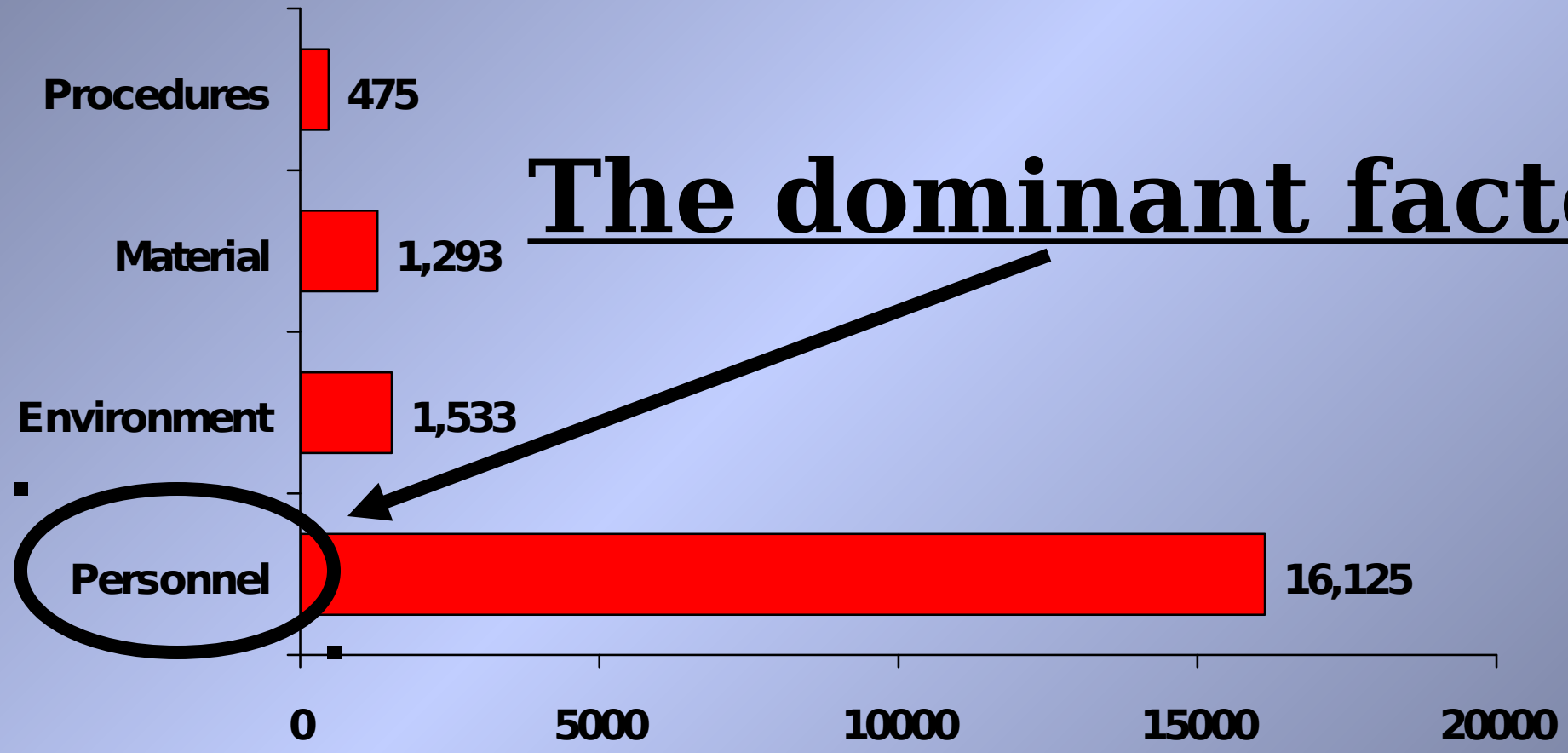



Rate per 100 ships & submarines

**mal Afloat Mishap Investigations Started**

2001

# What Causes Afloat Mishaps?




**The dominant factor**

**Number of mishaps, FY87-96**

2002

# USS Abraham Lincoln & USS Sacramento

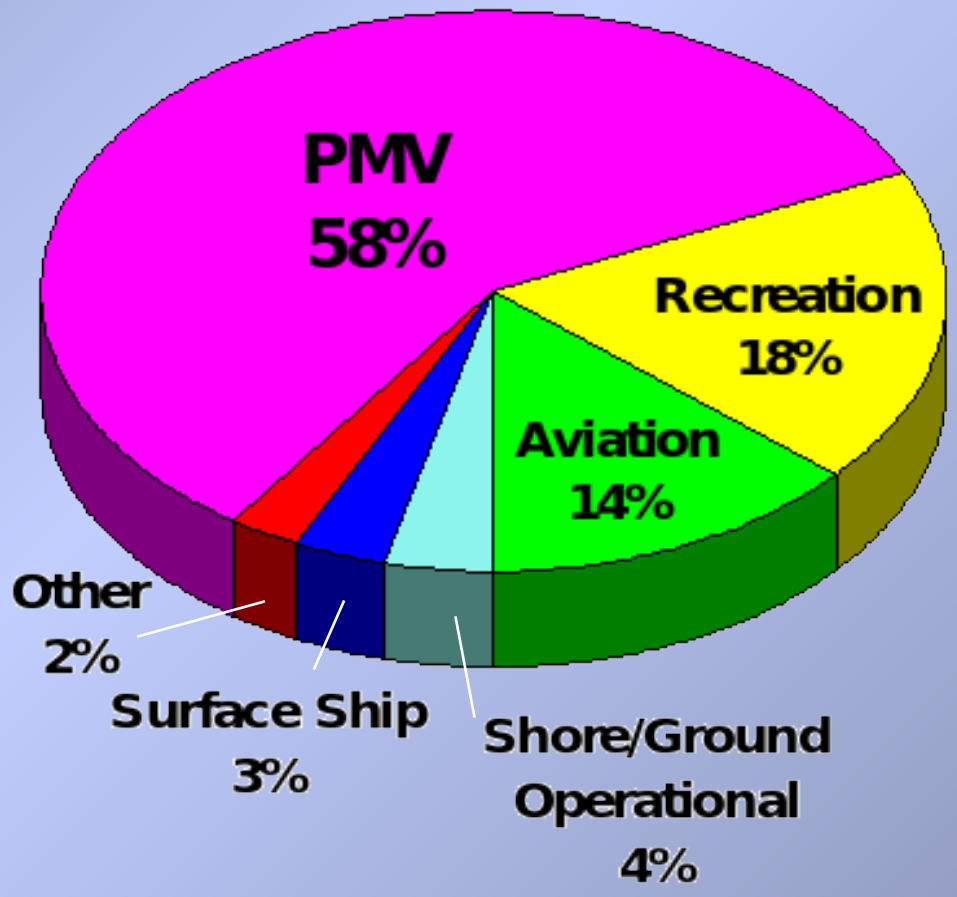
Note: Background is a photo of a CVN underway

- 5 Jun 95 - Collision During UnRep
- Rigs Tensioned
- AOE Suspected Steering Problems
- Shifted Control to After Steering
- Rudder Amidships - Distance Opened
- CVN Followed Guide Right
- AOE After Steering Came Left to R Corpen

# Where Fatalities Occurred

## Navy, FY92-96

**FY92-96**
**Total: 834**

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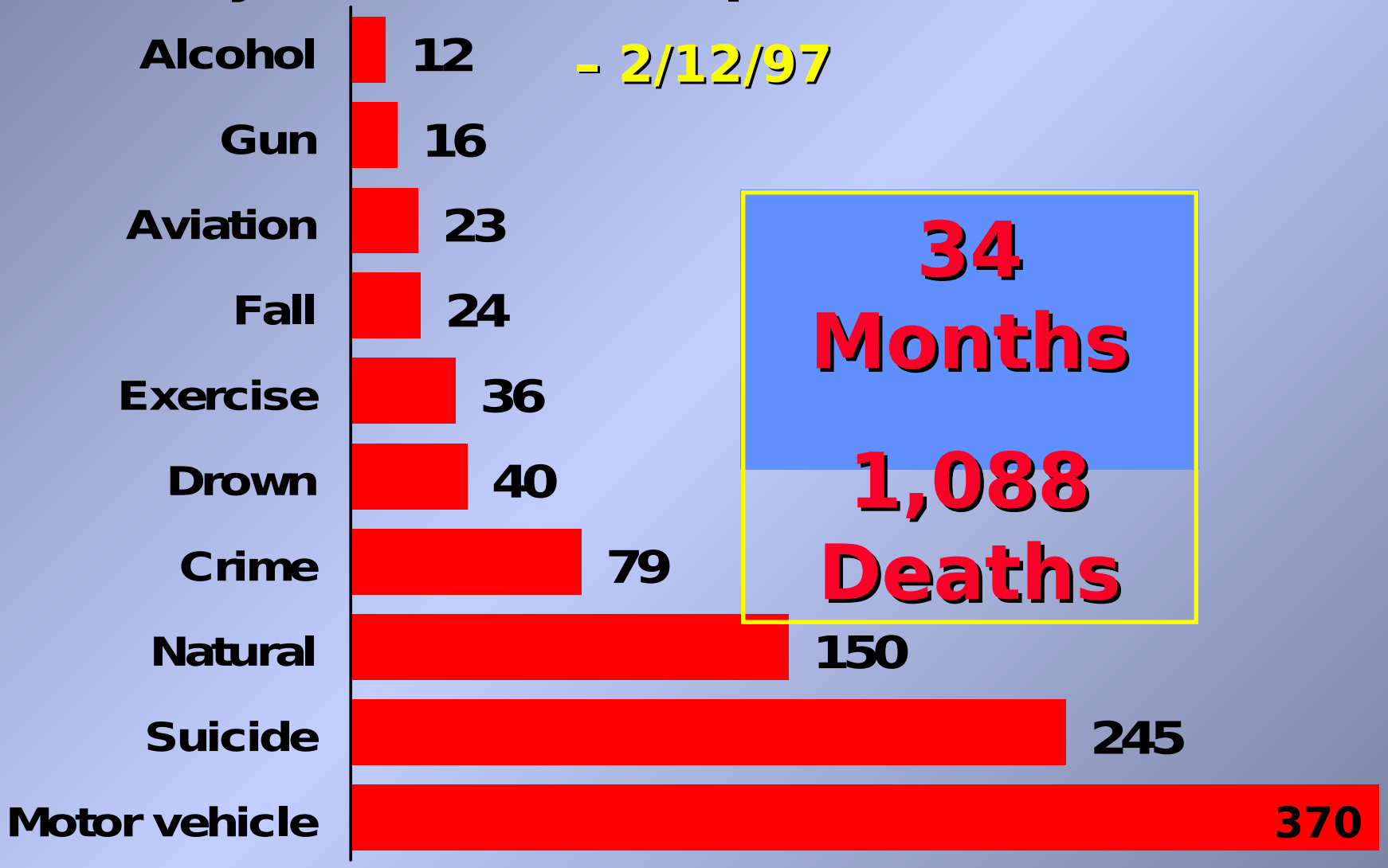
# Top Ten Causes of Death

## Navy & Marine Corps Enlisted, 5/1/94 – 2/12/97



# Top Ten Causes of Death

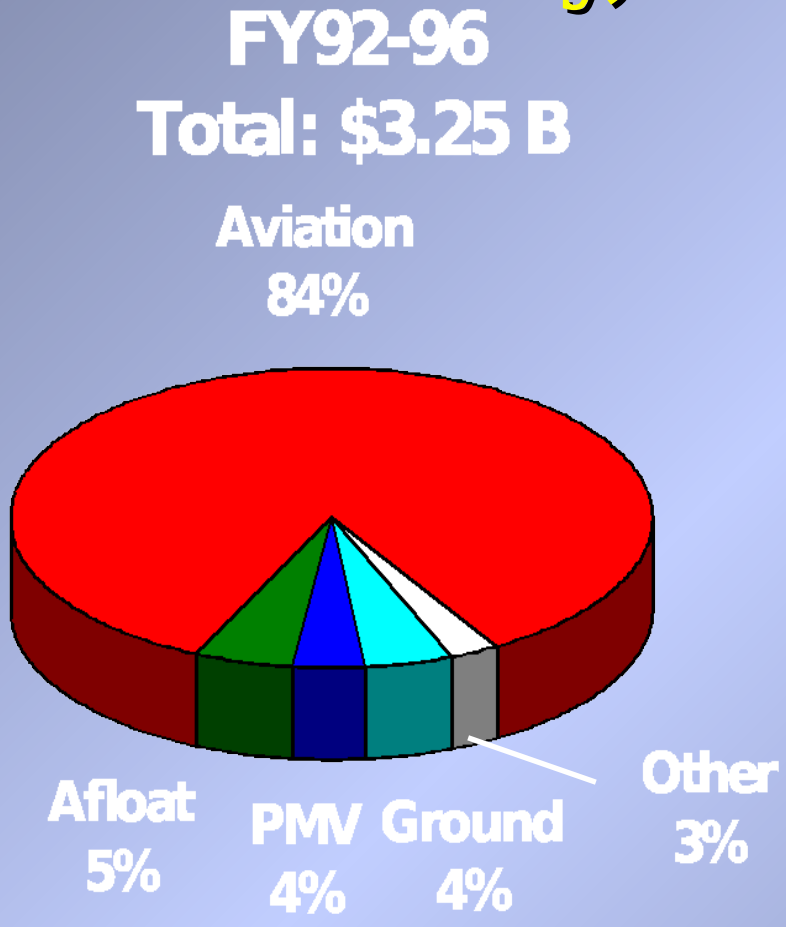
## Navy & Marine Corps Officers, 5/1/94 – 2/12/97

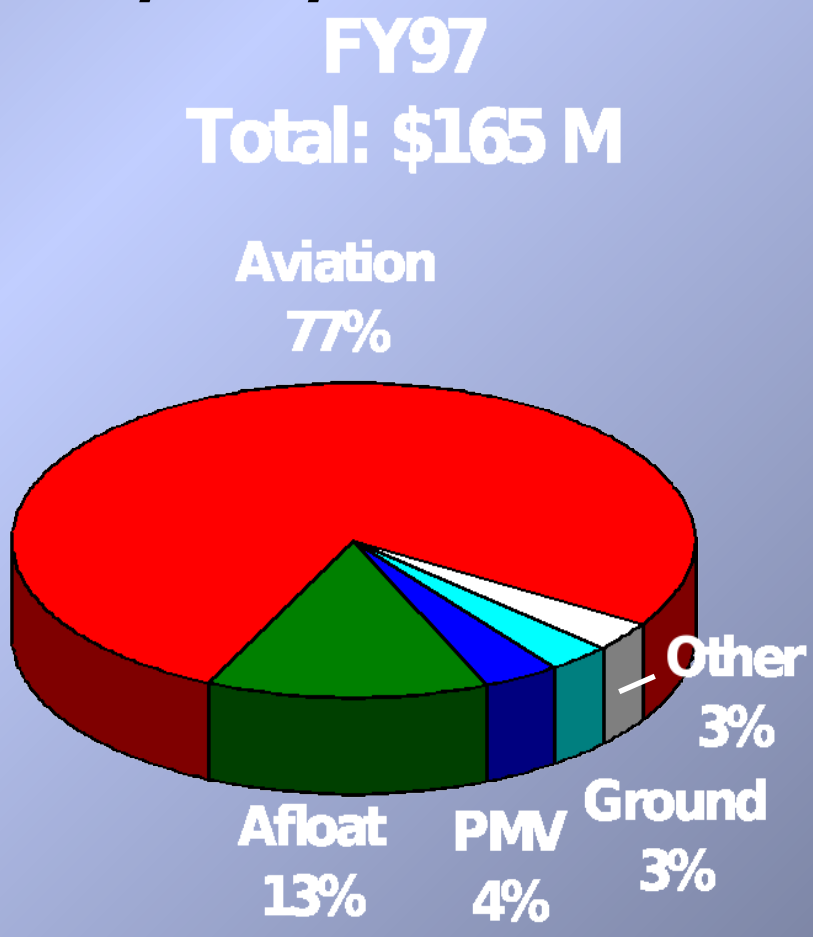
**34 Months**

**125 Deaths**

# The Cost of Mishaps

## Navy, FY92-4/15/97



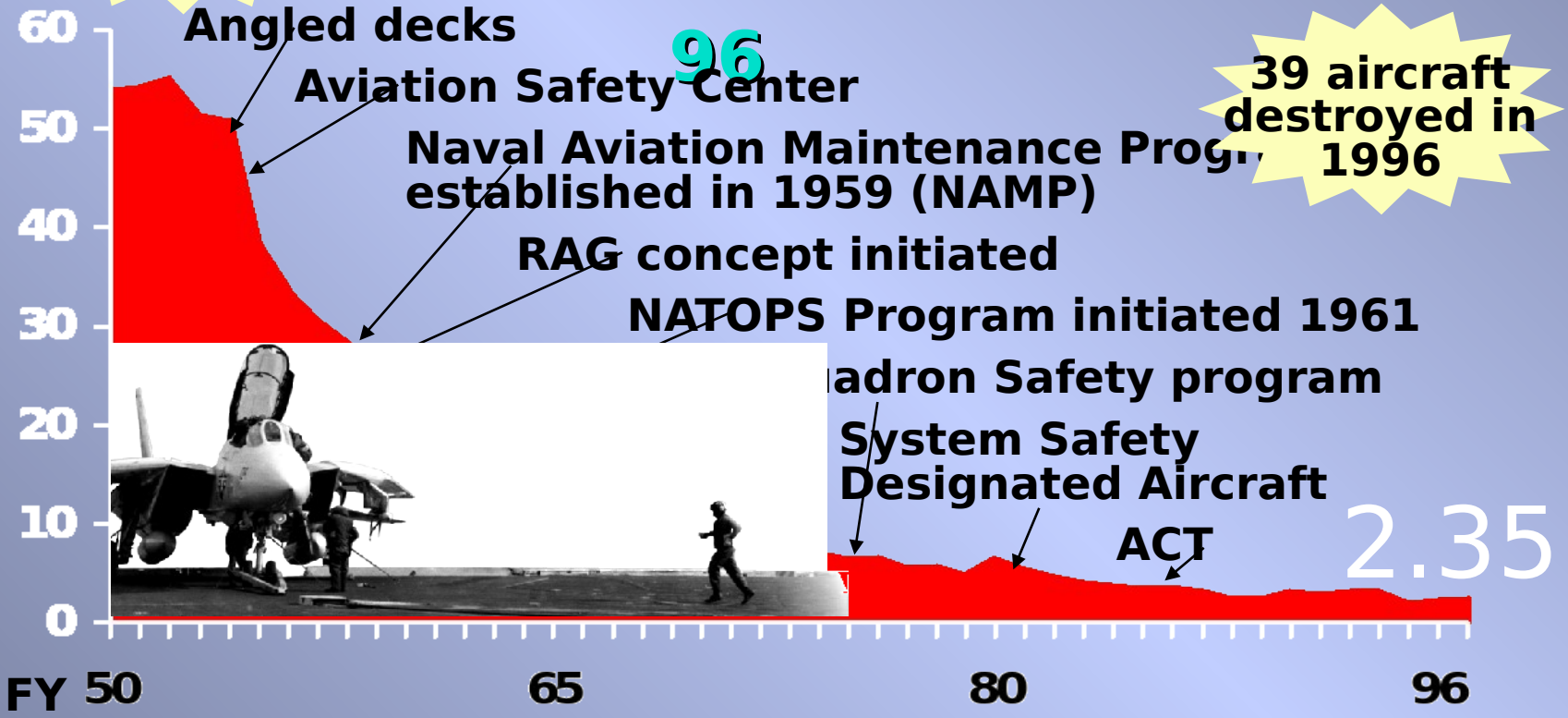



# Naval Aviation Mishap Rate

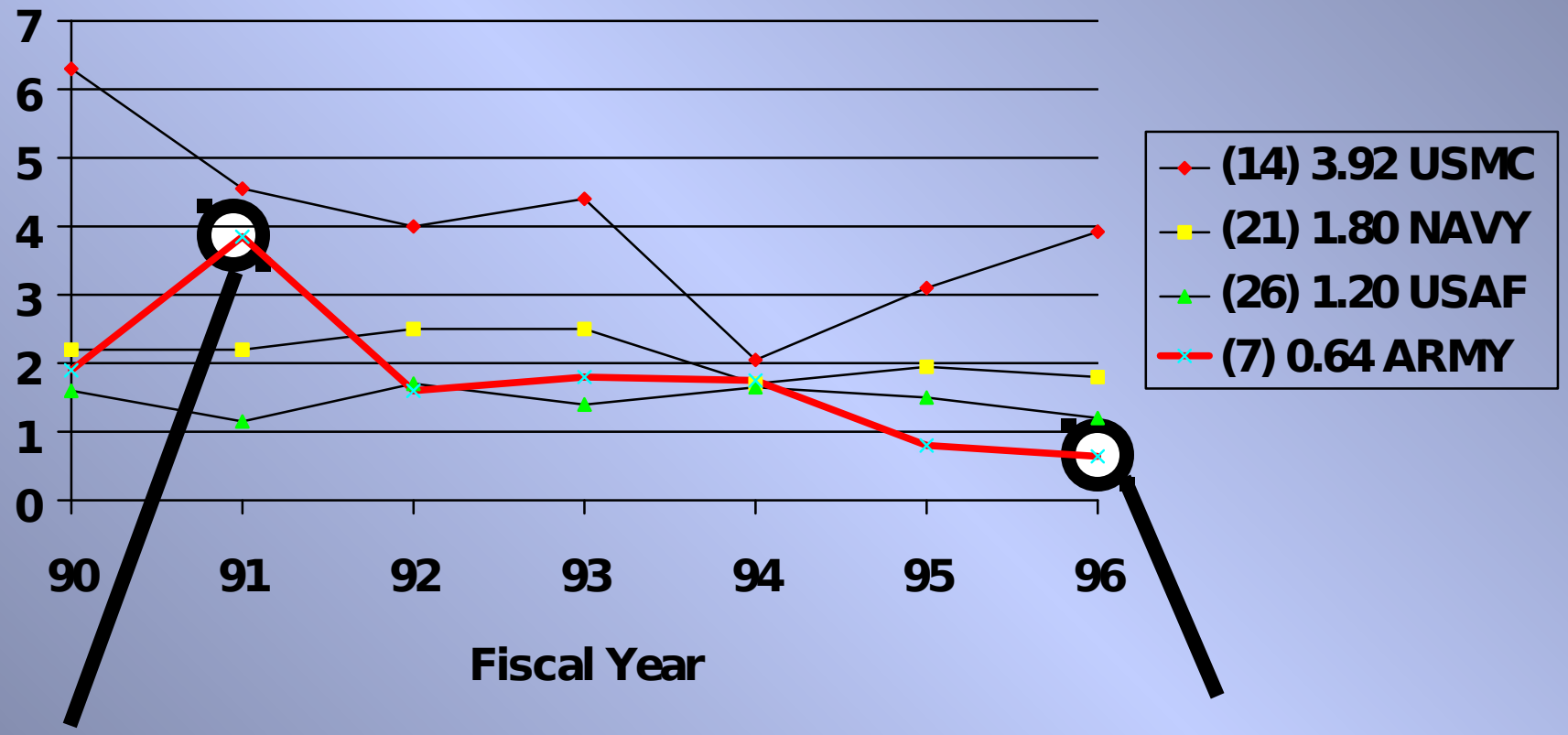
776 aircraft destroyed in 1954

FY 50-96

39 aircraft destroyed in 1996



# All Services Class A Flight Mishap Trend




S Army ORM training
eached the majority of operators

US Army attains lowest flight mishap rate for last 2 years

# Human Factors QMB

## Reducing Human Error in Naval Air Operations:

## “Risk management is our doctrine”

- Dissect mishap data
- Safety culture assessment
- Benchmark successful programs
- Recommend process improvements
  - Leadership
  - Training
  - Operational Risk Management
  - Information management
  - Investigations

# Organizational Culture

**"The way we do things here"**

* Fundamental building blocks
* Group values and standards
* Medium for growth
* Shaped by leadership

**Drives Key Decisions**

# ORM

## Process ...

## NOT Program!

# Implementing ORM in Your Command

- **Incorporate Risk in Decision Making at <u>All Levels</u>**
- **Operational Risk Management Makes <u>Everyone</u> a Risk Manager**

# ORM - Levels of Training

- Indoc
- User
- Advanced
- Leader
- Senior Leader

# Indoctrination Training Course Outline

PURPOSE: To provide students with a basic understanding what Risk Management is, the benefits derived from it, the concepts that apply to it, and how to do Time Critical ORM.

CONTENT:

- ORM terms and definitions
- ORM introduction/concept
- Four Principles of ORM
- ORM vs. traditional approach
- Benefits of ORM
- Three Levels of ORM
- Time Critical ORM, examples and demonstration
- Specific applications (connection to existing processes/procedures)

LENGTH: 1 hour

AUDIENCE: E-1 through E-4; O-1/2

# User Training Course Outline

PURPOSE: To teach the student how to work through the deliberate five step process and use previously developed, application specific techniques

CONTENT: Indoctrination Training plus:

- ⇨ Deliberate ORM process and demonstration
- ⇨ Basic hazard identification, tools and examples
- ⇨ Hazard assessment tools and examples
- ⇨ Risk assessment tools and examples (command worksheets/tools)
- ⇨ Deliberate ORM practical exercise
- ⇨ Specific applications (connection to existing processes/procedure

LENGTH: 4 hours

AUDIENCE: E-5 through E-7; O-2/3

# Advanced Training Course Outline

URPOSE: To teach students how to apply any level of RM and provide the tools necessary for implementing ORM their command. This course can be combined with a Tiger am site visit to set up proven ORM techniques.

ONTENT: User Training plus:

- ⇨ In-depth hazard identification tools and examples
- ⇨ Risk assessment tools and examples (cross section of available tools
- ⇨ Communication/presentation approaches
- ⇨ Command implementation and leadership concepts
- ⇨ Specific applications (connection to existing processes/procedures)
- ⇨ On-site application of ORM techniques (Tiger Team site visit only)

LENGTH: 2 days classroom; 1 day on-site

AUDIENCE: E-8/9; O-4/5

# Leader Training Course Outline

PURPOSE: To give squadron leadership enough knowledge to understand in-depth and deliberate ORM, what ORM can provide and how to implement it within their units.

CONTENTS: Abbreviated User Training plus:

- ⇨ Synopsis of In-depth hazard identification tools
- ⇨ Risk assessment tools and examples
- ⇨ Command implementation and leadership concepts
- ⇨ Specific applications

LENGTH: 4 hours

# Senior Leader Training Briefing Outline

PURPOSE: To provide senior leaders (flag officers and O-6 COs) with a basic understanding of the ORM process, the benefits derived from it, the three levels and some of the applications of ORM.

CONTENT:

- Background
- Three Levels of ORM
- Five Step Process
- ORM vs. traditional approach
- Specific fleet applications
- Benefits of ORM
- ORM implementation status and goals

LENGTH: 2 hours

# Vision of ORM Expertise

| | | | |
|---|---|---|---|
| FLAG OFFICER | LEADER | PREVIOUS TRAINING | |
| MAJOR COMMAND | | LEADER | PREVIOUS TRAINING |
| CO/XO | LEADER | LEADERSHIP CONTINUUM | |
| DEPARTMENT HEAD | ADVANCED | LEADERSHIP CONTINUUM<br>DEPT HEAD SCHOOL | |
| DIVISION OFFICER | | USER | LEADERSHIP CONTINUUM<br>DIVISION OFFICER CSE |
| MAINTENANCE PERSONNEL | USER/ INDOC | LEADERSHIP CONTINUUM<br>“A” / “C” SCHOOLS | |

**“Safety is built on integrity, trust and leadership, created and sustained by effective communication.”**

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